

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

In re:

CIRCUIT CITY STORES, INC., et al.,  
  
Debtors.

Chapter 11

Case No. 08-35653 (KRH)  
(Jointly Administered)

**AFFIDAVIT OF PAUL FURLOW**

STATE OF ILLINOIS       )  
                                      )  
COUNTY OF COOK       )       ss.:

Paul Furlow, being duly sworn, upon his oath, deposes and states:

1. I am the Co-President of TFL Enterprises LLC, a Delaware limited liability company ("*TFL*"), successor-in-interest to Tech For Less LLC ("*Tech*"), and have been employed by Tech and/or TFL since December 4, 2006.

2. I submit this declaration in support of TFL's administrative proof of claim against Circuit City Stores, Inc. (the "*Debtor*") in the amount of \$104,986.36 (Claim No. 13947, the "*Administrative Claim*") and in response to the Liquidating Trust's Seventh Omnibus Objection To Claims (Reduction Of Certain Partially Invalid Claims, Disallowance Of Certain Invalid Claims And Reclassification of Certain Incorrectly Classified Claims) [Docket No. 10045] (the "*Objection*") and its accompanying reply brief filed on December 13, 2011 [Docket No. 11566] (the "*Reply*").

3. The facts set forth in this Affidavit are based upon either my personal knowledge, information and belief, or in certain cases, upon the records of TFL kept in the ordinary course of

business. If called upon to testify concerning the facts stated in this Affidavit, I would testify to the same facts in the manner set forth herein.

4. Throughout 2008, Tech participated in numerous of the online auctions for the Debtor's liquidated inventory. Tech was the winning bidder in approximately 33 of the auctions, including the December 9, 2008 auction that is the subject of the Administrative Claim.

5. I placed bids on behalf of Tech in at least 5 of the aforementioned online auctions in 2008 for the Debtor's liquidated inventory and thus have personal knowledge of the Debtor's online bidding and auction process.

6. In the course of all the online auctions, neither I nor my colleagues recall seeing or otherwise being aware of the Electronics Merchandise Liquidation Agreement proffered by the Debtor in its Reply.

7. The Administrative Claim relates to the December 9, 2008 online auction, pursuant to which the Debtor agreed to sell a bulk lot of certain store return items (the "*Liquidated Inventory*") to Tech.

8. The Liquidated Inventory was comprised of several thousand pieces of inventory, and the inventory was not organized by SKU, manufacturer or item type. The sheer volume of inventory and their disorganized state made it burdensome, impractical and disruptive for Tech to conduct a full item count and reconciliation at the Debtor's site. Accordingly, with the Debtor's knowledge and consent, Tech arranged for the shipment of Liquidated Inventory to Tech's facility. The Debtor's personnel were responsible for packaging and loading the Liquidated Inventory for shipment.

9. Given the vast number of items, the disorganized manner in which the items were packaged for delivery, and the fact that the Liquidated Inventory consisted largely of store

returns in varied conditions, Tech was required to conduct a full inspection of each piece of inventory, a substantial undertaking requiring considerable time and effort to complete. Tech completed its audit and reconciliation on June 5, 2009. That reconciliation revealed that the Debtor had shorted Tech by approximately 1,757 pieces – pieces that Tech had paid for but not received from the Debtor.

10. On December 4, 2009, Tech transferred its interest in the Administrative Claim to TFL, its affiliate, pursuant to Rule 3001(e)(2) of the Federal Rules of Bankruptcy Procedure.

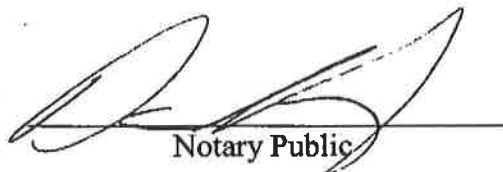
I hereby certify that the statements contained herein are true to the best of my knowledge and belief and I am aware that I am subject to punishments if any of the statements made herein are willfully false.

Executed on this 16 day of  
December, 2011

  
\_\_\_\_\_  
Paul Furlow

Subscribed and sworn to before me this 16 day of December, 2011

My commission expires: 12-27-2014

  
\_\_\_\_\_  
Notary Public

